









TRADE

GREAT BRITAIN

WITH THE

UNITED STATES.



REPORT OF A COMMITTEE OF THE LORDS OF THE PRIVY COUNCIL

ON THE

TRADE OF GREAT BRITAIN

WITH THE

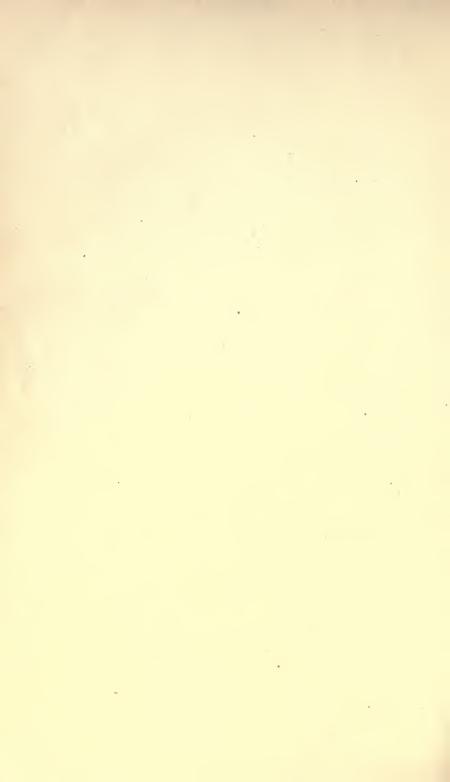
UNITED STATES.

JANUARY, 1791.



DEPARTMENT OF STATE.

B. T.---I



THE following report is printed from a manuscript found among the Jefferson Papers deposited in the Department of State. Its history is unknown. A letterpress copy of an abstract of the report in the same collection, describes it as a report "made to the Privy Council, and handed to the King, (a few copies of which were printed off for the members of Cabinet, and called in again by a sudden order of Council) communicated in a letter dated London, 15th June, 1791."

The date, subject-matter and manner of treatment tend to show that, in all probability, it was prepared to enable the British Government to pass upon the advances for a treaty of commerce between Great Britain and the United States which Washington made in 1789–'90 through Gouverneur Morris, advances that were rejected by the English Cabinet, (American State Papers (folio) Foreign Affairs, Vol. I.) Jefferson speaks of this report as "a document of authority" (Works, vii, 642).

Mr. Haswell, Chief of the Bureau of Indexes and Archives, tells me that the copy is in the handwriting of Mr. Remsen, Jr., who had held office under the Continental Congress and was the first Under-Secretary in the Department when Jefferson was Secretary of State.

W. C. Ford?





REPORT.

THE trade between America and Great Britain is principally carried on from the ports of London, Liverpool, Bristol and Glasgow. Previous to the late Constitution the United States were governed in all commercial matters by separate and distinct Legislatures. For this reason Great Britain thought it most wise to suspend the consideration of a complete commercial arrangement with the United States, and to make only provisional regulations for this purpose, the British Legislature, in each year since 1783, has vested in his Majesty with the advice of his privy council, powers sufficient for making such provisional regulations.

CONDUCT OF GREAT BRITAIN.

His Majesty by his orders in Council, has made the following regulations.

FIRST.—That any goods, the importation of which into this kingdom is not prohibited, being the production of the United States, may be imported directly from thence into any ports of this kingdom, not only by British vessels,

(5) but

but also by ships built in the United States, and owned by Americans, and whereof the master and three-fourths of the mariners at least, are subjects of the United States.

Observation.—This permission is directly contrary to an ancient Statute, which had never till then been dispensed with, for by the 12 Cha. 2^d, ch. 18, sect 3^d, "No goods whatsoever of any part of America, are to be imported into any of his Majesty's European Dominions in any other vessell than such as belong truly to his Majesty, under pain of forfeiting the goods and vessell." By this regulation then, the commerce of the United States, as far as relates to the vessels, in which any goods of the United States may be imported, stands on the same footing on which the commerce of every independent European nation now stands.

SECONDLY.—His Majesty has permitted by orders in Council, that any goods, unmanufactured, (except fish oil, whale fins, blubber and spermaceti) and also any pig iron, bar-iron, pitch, tar, and turpentine, rosin, potash, pearlash, indigo, masts, yards and bowsprits, being the production of the United States, may be imported directly from thence into this P. upon payment of the same duties which the like sort of goods, may be subject to if imported from any British possession in America. And that fish oil, blubber, whale fins, spermaceti, and also all other goods not herein enumerated, being the growth of the United States, may be imported from thence into this kingdom, upon payment of such duties as are payable on the like goods from other countries, not under the British dominion according to the table marked A. D. and I. annexed annexed to the consolidation act. And in cases where there are different duties, upon the payment of the lowest of such duties.

Observation.—By this act the same preference is granted to the commerce of the United States, with respect to the articles above described, as is granted to the commerce of the British possessions in America, and in many of the articles above mentioned, the commerce of the United States derives great benefit from the preference, thus given, to the detriment of the commerce of other foreign nations, as will be seen by the following table.

	Duties payable if imported from the United States.	Dutie if in from eign e	mport	for-
Potashper cwt	free.	f.o	25	3 d
Pearlashper cwt		1	2	3
Iron-barper ton	free.	2	16	2
Pitchper last		0	12	5
Tarper last		0	12	41/2
Skins, beavereach		0	0	81/
Tobaccoper lb		0	3	6

Besides all woods except masts, yards and Bow-sprits may be imported from the United States duty free; whereas the like woods from other countries are subject to various high duties which produce a revenue of more than 250,000 pounds per annum to Great Britain; and with respect to all other articles not enumerated, the commerce of the United States has been put upon the footing of the most favored nation, except such nations only with whom his Majesty

Majesty has made treaties founded on the principles of reciprocity and mutual good advantage.

THIRDLY.—His Majesty has exempted the merchandize of the United States, though imported in vessels of the United States, from aliens duty.

Observation.—The merchandize imported in vessels of all other foreign nations is subject to aliens duty, and frequent complaints have been made from other foreign nations of the distinction thus made to their prejudice in favor of the United States.

FOURTHLY.—His Majesty has permitted all productions of the United States (except salt provisions, and the produce of their fisheries) to be imported into the British West Indies, and possessions in America (but in British vessels only) as might have been imported into them before the declaration of Independence. But his Majesty has at the same time prohibited all commercial intercourse between the United States and British possessions in America in ships belonging to the United States.

Observation.—This regulation first established by order in Council, has since been confirmed by act of Parliament, and though the Americans complain of this more than any other regulation, yet it is not new, but is founded on the ancient law of this country which forbids any goods to be imported into, or exported from any of the British colonies in Asia, Africa, or America, except in British vessels. It is founded also on a principle of public law, adopted by all European nations, who have ever claimed the right of restraining the trade of their colonies, in such manner as

in their judgment will be most conducive to their respective interests. The Committee think too that the policy of Great Britain in this respect is much more liberal than that of France or Spain.

CONDUCT OF THE UNITED STATES.

The Committee here enter into a discussion of the prohibitory and partial laws of various States against the British trade. The regulations, say they, made in these respects are so numerous, that it is hardly possible to obtain a complete account of them. The Merchants of Glasgow ! estimate the tonnage duty imposed (between the year 1783 and the first session of the present Congress) on British shipping through all the United States to have been on an average 2^s 3^d more per ton than on American shipping and that this charge on a ship of 200 tons, amounts to $f_{,22}$ 10 shillings each voyage. And they estimate the duty imposed during the same period on goods imported in British ships through all the United States to be upon an average 2 per cent more than on the like goods imported in American ships, and that this charge on a cargo of $f_{.2000}$ amounts to $f_{.40}$. The Committee regard these laws at least, as unfriendly, but complain still more of others tending to defraud more or less in various manners the British Creditor of his lawful debts. The Committee however acknowledges that the late Congress used such means as were in their power to correct and prevent similar laws.

The Committee proceeds next to shew the effect the Independence of the United States has hitherto produced on the trade of Great Britain. To do this the more efficaciously

ciously they begin by inserting an account of the commerce with the *now United States* and other British possessions on the Continent, and in the West India Islands, and also of the number and tonnage of the vessels employed therein six years before the war and six years since.

The Committee states, first, the value of the exports from Great Britain, and secondly the imports into Great Britain from those countries.

Comparison of the exports from Great Britain to the now United States before and since the war.

States upon an average of six years before the war, ending with 1774	fa 216 070
Do of six years since the war, ending with 1789	2,119,837
Annual decrease since the war	£97,113
Value of other articles yearly exported to the now United States from Great Britain upon an average of six years before the war, ending	
with 1774	£515,066 213,806
Annual decrease since the war.	£301,260
=	
Total annual decrease since the war of exportations of every kind from Great Britain to the now United States	£398,393
Comparison of the exports from Britain to the	he other
British possessions before and since the war.	
Value of British manufactures exported yearly to the other British	
colonies on an average as above	£310,916
Do since the war as above	603,928
Annual increase since the war	£293,012
Value of other articles exported yearly from Great Britain to these pos-	
sessions, upon an average as above	£68,495
Do as above since the war	225, 160
Annual increase since the war	£156,665
Total annual increase of exportations from Great Britain to	
remaining possessions in North America	£449,677

Comparison



Comparison of the exports from Great Britain to her West India possessions before and since the war.

Value of British manufactures exported yearly from Great Britain to said possessions on an average as above	
Do as above since the war	1,297,275
Annual increase since the war	£114,896
Value of other articles exported from Great Britain as above before the war	£167,240
Do as above since the war	167,145

Total annual increase of exportation from Great Britain to her West India possessions since the war.....

It appears then that the exportations of Great Britain to the United States are less than they were, yet by the increase of her exports to her Islands and remaining possessions in America, it would seem that upon the whole to the United States and her remaining possessions has increased on an average of six years before, and six years since the war, in the sum of £166,085 per an.

It is worthy of notice too that the increase has been almost wholly in British manufactures, and that the decrease has been principally in articles of foreign merchandize sent from Great Britain, for the value of British manufactures so exported has annually increased since the war £310,775 and the value of other articles, principally foreign merchandize, has, during the same period, annually decreased £144,690.

Comparison of the imports into Great Britain before and since the war from the *now United States*.

Value of yearly importations into Great Britain from the now United	
States upon an average of six years before the war ending with 1774	£1,752,142
Do on an average of six years since the war, ending with 1789	908,636
Annual decrease since the war	£843,506
Cor	mparison

Comparison of the yearly imports into G. Britain from the remaining British possessions in N°. America.

Value of the yearly imports from the remaining British possessions in	
No. America, as above before the war	£123,372
Do as above since the war	220, 358
Annual increase since the war	£96,986

Comparison of the imports into G. Britain from her W. India possessions before & since the war.

Value of yearly importation from do as above before the war	£3,232,119
Do since the war	3,903,185
Annual increase since the war	£671,066

It appears then from these three comparisons, that the decrease of imports from the United States since the war has not been wholly compensated by the increase of those from the other British possessions in North America and the West Indies; but that upon the whole there has been a decrease in the annual value of the imports from all these Countries since the war, of £75,454.

This great decrease in the imports from the United States is nearly accounted for by the decreased quantity of Rice and Tobacco annually imported since the war into Great Britain.

The quantity of Tobacco so imported, has upon an average of six years annually decreased 44,774,458 lbs., being in value £582,987 6 s o d.

The quantity of Rice so imported has annually decreased 259,035 cwt. 3 qr. 9 lb., being in value £196,526 5 s 4 d.

Total decrease since the war in the value of Rice and Tobacco annually imported, £779,514 18 4d.

Before

Before the war Rice and Tobacco could be brought from the now United States only into Great Britain, and four fifths of what was brought into Great Britain was again exported for the consumption of other Countries. By the loss of this branch of commerce it was natural that the exports from Great Britain must have been affected, and during the three first years subsequent to the war, the annual exports of Great Britain to all countries were less in value than before the war. Since 1783 however there has been every year a regular increase of exports from Great Britain, and the value of the exports of 1789 exceeds the value of the exports of 1789 increase of the value of the exports of 1789 increase of the value of the exports of 1789 increase of the value of the exports of 1789 increase of the value of the exports of 1789 increase of the value of the exports of 1784 £4,400,609 to 100.

It appears then from the foregoing comparisons, that as the value of the exports to the now United States has exceeded the value of the imports from thence since the war in a much greater proportion than before the war, the balance of trade between these two countries is at present more in favor of Great Britain than it was then.

It is proper to observe that the foregoing accounts relate solely to the trade of Great Britain and do not include at all the trade of Ireland; and it is right to observe that both the exports and imports of Ireland, to and from all the said Countries, as well in consequence of the Independence of the United States as of the permission given in 1780 to the people of Ireland to carry on a direct trade in the same manner as the people of Great Britain with the British possessions in America.

The Committee next proceeds to state the number and tonnage of vessels employed between Great Britain and the United States, and the remaining British possessions in America and West Indies. The Committee have found

great difficulty in procuring proper informations on this subject, and having found it altogether impossible to procure tolerable accounts of the shipping for the six years prior and subsequent to the war, they have formed their averages from the years 1770, 1771, and 1772, before the war, and 1787, 1788, and 1789 since, having been able to procure accounts somewhat more to be relied on of these years, in particular of the three last.

Vessels employed between Great Britain and the United States.

	Ships.	Tons.
Number and tonnage of the vessels clearing outwards, and yearly employed in the trade between Great Britain and the now United States on an average of the years 1770, 1771, and		
° 1772 before the war	628	81,951
Number of do so employed, entering inwards on a like average	699	91,540
Medium of the average number and tonnage of vessels entering inwards and clearing outwards per an	663	86,745

Number and tonnage of British and America vessels clearing outwards so employed on an average of the years 1787, 1788, and 1789: British ships, 272; tons, 55,785; American ships, 157; tons, 25,725; total of British and American ships, 429; tons, 81,510.

Number and tonnage of British and American vessels entering inwards on a like average: British ships, 251; tons, 49,405; American ships, 169; tons, 27,403; total British and American ships entering inwards, 420; tons, 76,808.

Medium of the average number and tonnage of British and American vessels so employed inwards and outwards: British ships, 261; tons, 52,592; American ships, 163; tons,

tons, 26,564; total British and American ships, 42,425;* tons, 79,159.

It appears from the above averages that the number of vessels trading directly between Great Britain and the now United States has decreased since the war 238; and that the tonnage has decreased 7,586 tons. The decrease of the tonnage too appears to be much less than the decrease on the number of the ships—because

First. Larger Ships are now employed in this and all other trades than formerly.

Secondly. The imperfect manner of taking the tonnage before the war, when the account of the tonnage was taken simply from the declaration of the Master, who was greatly interested in diminishing the number of tons, as the duties paid by his vessel diminished in proportion.

It is supposed that the amount of the tonnage of a ship ascertained in this manner was generally one-third less than the real tonnage.

It appears moreover that there is a greater decrease of tonnage inwards than outwards, and this is to be imputed to the diminished importation of the bulky articles of Rice and Tobacco.

It appears from the foregoing averages that the British vessels employed in this trade exceed those of the United States and the other parts of the British dominions. It is impossible to state the proportion each bore in this trade. Vessels so employed were of three sorts—first, belonging to Merchants resident in the British European dominions; second, to Merchants occasionally resident in the now United States; thirdly, to Merchants, natives and permanent inhabitants of the now United States.

The following table will shew the proportion of each of the above descriptions of vessels employed in this trade.

	Proportion of ves- sels belongs to merchts resident in British Euro- pean dominions.	Proportion of ves- sels of British merch ^{ts} occa- sionally resident in the now United States.	Vessels of merchts, natives & per- manent inhabit- ants of the now United States.	
New England	1-8th	1-8th	6-8th	
New York	3-8th	3-8th	2-8th	
Pennsylvania	2-8th	3-8th	3-8th	
Maryland & Virginia	6-8th	1-8th	1-8th	
North Carolina	5-8th	2-8th	1-8th	
So. Carolina & Georgia	5-8th	2-8th	1-8th	

It is evident from the foregoing table that the vessels employed under these descriptions varied according to the different colonies, the quantity of shipping belonging to the inhabitants of Great Britain, or the British merchants occasionally resident in the now United States being much greater in the commercial intercourse then carried on with the southern than with the northern Colonies, particularly those of New England. But upon the whole there is reason to believe from calculations formed upon the foregoing table as well as from other information that the proportion of tonnage employed before the war in this trade which belonged to the inhabitants of Great Britain was about 4-8th and an half, and the proportion which belonged to British Merchants occasionally resident in the now United States was about 1-8th and an half, making together nearly 6-8th of the whole, and that the proportion of tonnage which belonged to merchants natives and permanent residents

dents of the now United States was rather more than 2-8th of the whole, At present the proportion of tonnage employed in this branch of commerce belonging to the merchants of Great Britain is nearly 6-8th of the whole, and the proportion belonging to the merchants of the United States rather more than 2-8th of the whole, so that although upon the whole the trade between the United States and Great Britain has decreased since the war, yet allowing for this decrease the share of shipping belonging to the merchants of Great Britain has increased in the proportion of 1-8th and an half—(the share of shipping belonging before the war to merchants occasionally residing in the Colonies is now transferred to the Merchants resident in Great Britain) and the share of shipping belonging to Merchants residents and natives of the now United States is nearly the same at present as it was before the war.

Vessels employed between Great Britain and the remaining British possessions in North America.

	Ships.	Tons.
Number of vessels clearing outwards yearly in the trade between Great Britain and the remaining British possessions in No.		
America on an average of the years 1770, 1771 and 1772	250	9,582
Number and tonnage of do entering vessels	273	12,857
Medium of the average number and tonnage of British vessels clearing and entering on the above average	261	11,219
Number and tonnage of British vessels clearing outwards in this trade on an average of the years 1787, 1788 & 1789	486	61,856
Number and tonnage of do entering inwards	249	30,355
Medium of the number & tonnage of British vessels clearing & entering	367	46,106

By the foregoing averages it appears that the number of vessels in this trade (being all British) has augmented since the war about one-half—being 106 vessels more than before the war, and the quantity of tonnage has increased 34,887 tons, being in the proportion of about four times more than it was before the war.

Vessels employed between Great Britain and the British West India Islands.

	Ships.	Tons.
Number of British vessels clearing outwards on an average of		
1770, 1771 & 1772	420	75,143
Number and tonnage of do entering inwards	563	85,821
Medium of British vessels & tonnage entering & clearing	491	80, 482
Number & tonnage of British vessels clearing to the B. Islands in		
1787, '88 & '89	531	128,207
No, and tonnage of do entering from do	588	139,265
Medium of the number and tonnage entering and clearing	559	133,736

From the above it appears that the number of vessels in this trade has increased 68 since the war, in the proportion of about 1–7th & that the quantity of tonnage has increased 53,254 tons since the war, in the proportion of more than 5–8th. It is also to be observed that before the war part of the ships employed in this trip were built in the now United States, these ships usually went from the Northern States loaded with lumber to the West Indies, where they got another freight of West India produce and proceeding to Great Britain were sold there at a rate considerably under the price for which vessels of the same dimensions could be built

built in Great Britain—their number is supposed to have been about 50 annually, and this is the reason the number of the Ships entering inwards before the war appears to have exceeded the number clearing outwards in a greater proportion than it does at present. Since the war the ships employed in this trade are principally built and manned in Great Britain and consequently contribute in a greater degree than the ships they have replaced to increase the efficient strength of Great Britain as a Naval power.

Vessels employed between the remaining British possessions in No. ×
America and the now United States.

	Ships.	Tons.
Number and tonnage of B. vessels yearly clearing outwards in this trade before the war on an average of the years 1770,		
1771 & 1772	250	9,582
No. & tonnage of do entering inwards	276	12,857
Medium average of entries and clearances	263	11,219
Number & tonnage of do clearing outwards on an average of 1787,		
1788 & 1789	208	15,135
No. and tonnage of do entering	269	15,524
Medium of number and tonnage of entries & clearances	238	15,329

The number of vessels so stated includes their repeated voyages, and it appears that the number has decreased since the war 25 vessels or about 1–10th. Before the war the greatest share of the vessels in this trade belonged to the inhabitants of the now United States, but at present such vessels can only be possessed by the remaining subjects of Great Britain. A great part of this trade therefore may be regarded as a new acquisition.

Vessels employed between the British West Indies & the now United States.

	Ships.	Tons.
Number of British vessels clearing yearly in this trade on an		
average of 1770, '71 & '72	2,172	103,540
do do entering	2,297	111,939
Medium of number & tonnage entering & clearing	2,234	107,739
Number & tonnage of British vessels clearing annually on an		
average of '87, '88, & '89	510	57,904
do do entering	579	67,573
Medium of number & tonnage entering & clearing	544	62,738

This account of vessels includes their repeated voyages. The number of vessels has decreased since the war 1,600 or is 3-4th less than before the war; the quantity of tonnage has decreased 45,001 tons or rather less than half what it was, but 5-8th of these vessels before the war belonged to the natives of the now United States and 3-8th to British merchants residing occasionally in the said colonies. At that time few vessels belonging to British Merchants resident in Europe had a share in this trade. The vessels now employed in this trade can only belong to British subjects residing in the British dominions. Many vessels now go from Great Britain to the United States with British manufactures, load there with lumber and provisions for the West Indies and return with the produce of the Islands to Great Britain. The whole of this branch of freight may also be considered as a new acquisition.

Vessels

Vessels employed between the remaining British possessions in No.

America and the British West Indies,

	Ships.	Tons.
Number & tonnage of B. vessels clearing yearly on an average		
of 1770, 1771 & 1772	15	755
do do entering	23	1,240
Medium of entries and clearances	19	996
Number & tonnage of B. vessels clearing yearly in 1787, 1788 &		
1789, averaged	142	12,696
Number & tonnage of entries	171	16,331
Medium of entries and clearances	156	14,513

This account of vessels includes their repeated voyages. It appears that the number of vessels has increased since the war 137 (being seven times more than it was before the war) and the quantity of tonnage 13,517, thirteen times more than it was:—before the war many of these vessels belonged to the inhabitants of the now United States; at present they can only belong to British subjects resident in the British dominions—this portion therefore may be considered as a new acquisition.

This increase of vessels is to be imputed to the improvement of the present British possessions in N°. America, from the great resort of Refugees thither, to the more frequent intercourse between these possessions and the British West Indies, and to the greater number of ships belonging to these possessions or some other part of the British dominions which go from Newfoundland to the British West Indies with fish, a branch of freight formerly almost wholly engrossed by the inhabitants of the now United States, and from which they are now wholly excluded.

The Committee next proceeds to give an account of the vessels built in the ports of the United States in the years 1772 and of those that were building in 1789.

Number of vessels built in the now United States in 1772 compared with 1789.

States.	1	772.	1789.		
States.	Vessels.	Tons.	Vessels.	Tons.	
New Hampshire			6 5		
Total of the N. Engd Provinces		18,149	11		
New York	15	1,640 80	т	200	
New Jersey Pennsylvania	18	2,987	14	2,966	
Maryland Virginia	1	1,626 933	5	1,200	
No. Carolina	3	253			
So. Carolina		213 753			
J	182		31		

(Note. In the account of Ships built in 1772, there is no specification of the number built in each of the New England Provinces, but a total only of the number and tonnage of vessels built in all the provinces. And Mr. Bond, Consul at Philadelphia, who sent the account of 1789, has not given the tonnage of the vessels building in New Hampshire and Massachusetts bay, so that it is not possible to make a comparison of the quantity of tonnage of which the vessels in the foregoing table consists.) The Committee here proceeds to give some account of reports received from Mr. Bond—vide appendix (B).

The Committee next gives an account of the trade of other European nations with the now United States.

Vessels

Vessels of other European nations, which entered the principal ports of the United States in the following years.

	Ships.	Brigantines.	Schooners.	Sloops.	Supposed tonnage accordg to Ameri- can admeasuremt.
New York 1789					
Portuguese	3	4	1		1,380
Spanish	3	3	1	4	1,580
Dutch	2	ı	ļ	т	960
French	1	5			1,000
Swedes		2			400
Total	9	15	2	4	5,320
PHILADELPHIA-1788.					
French	1	4	1		692
Dutch		4	4	2	1,022
Spanish	7	6	4		2,335
Portuguese,		3			321
Danish		I			157
Swedish		2		1	430
Prussian		2			388
Total	8	22	9	3	5,345
CHARLESTON-1787.					
Spain		2	39	3	1,037
France.		4	2	2	715
United Netherlands	I	4			799
Altona	I				280
Bremen		I			193
Denmark		ī			164
Hamburg		I			130
Austria		ı			127
m . 1					
Total	2	14	41	5	3,481

The

The Committee has not been able to procure like accounts of the vessels of other European nations entering into other ports of the United States. But from information they have reason to think, that the tonnage of other European nations, which traded in the year 1789 to Virginia amounted to about 2,664 tons; Maryland, 2,348 tons; North Carolina, 3,000 tons; Georgia, 2,500 tons; Massachusetts-bay, 1,758 tons.

The Committee allow ½th more tonnage for the other parts of the United States of which they have received no good information, and suppose the tonnage of vessels of all other European nations in this trade may amount to 33,020 tons, but a little more than ½th of the tonnage of British vessels employed in different branches of this trade, not making allowance in either case for repeated voyages.

Merchants of other nations are chiefly discouraged from entering into this trade by finding that it is not to be carried on, without trusting the Americans with their goods, and giving them longer credit than is usually given in the trade as carried on to European Countries.

From the above statements the Committee draws the following conclusions,

That the exports from Great Britain to all the countries before mentioned	
has increased since the war on an average per annum	£166,085
That the imports to Great Britain from do has decreased do	75,454
The number of vessels in these different branches of trade belonging to	
merchants resident in the present British dominions has increased on	
an average annuallyvessels	256
The tonnage of do do has increased dotons	111,638
The number of vessels in these branches belonging to the inhabitants of	
the now United States has decreased dovessels	850
Quantity of tonnage do dotons	38,836
	If

If indeed we allow that tonnage before the war was estimated at one third less than it really was, as before stated, then the increase of tonnage to the residents of the British dominions will be only 59,384 tons, and the decrease to the inhabitants of the United States will be 60,634 tons.

That in the year 1772 there were built in the now United States, topsail vessels, 182; in the year 1789 do only 31.

That the tonnage of all other European vessels in the trade of the United States amounts to little more than one fourth of the tonnage of the British vessels.

Finally the Committee observes that the inhabitants of the now United States had some share in the circuitous commerce of Great Britain by trading from one foreign port to another, and returning occasionally to a British port, which they have now entirely lost.

IN A NOTE.

The Committee here introduce a table (received since their report was finished) published by Government in the United States from 1st October 1789 to 30th September 1790,* and make several observations by which they endeavor to account for the differences to be found in this table and their calculations. The principle ones are.

"That this table includes a period subsequent to those years on which their averages are formed.

"That it contains an account of the tonnage of American vessels in all the different branches of their trade, without distinguishing what part of it was employed in their trade with the British dominions. Whilst on the contrary the Committee speak in their report only of such

^{*}The table mentioned is probably that sent to Congress by Hamilton in January, 1791, and printed in American State Papers (folio) vol. vii, p. 7.

of the American tonnage as was employed during the above years in the trade with the British dominions.

"That this table makes the quantity of British tonnage employed during the period it includes greater even than the Committee had done.

"That the great demand for grain in Europe during the latter end of 1789 and beginning of '90 caused more ships to be freighted during that period to bring corn from America than ever were before.

"That many vessels sailed from Great Britain on speculation for this purpose only.

"That the demand in Europe doubled the price of wheat in America and augmented considerably the price of freight.

"That several French Colonies in the West Indies had opened their ports, in consequence of the French revolution, to American vessels in a greater degree then they were opened before.

"That the quantity of tonnage as stated in the table appears greater than it really was, from its including the repeated voyages of the same vessels.

"That many British vessels do enter the ports of the United States which do not clear out directly for the said ports from any British port, nor return directly from the said ports to a British port, and in such case they could not appear in the accounts furnished by the officers of Government, from which the Committee formed its averages.

The Committee conclude however that upon the whole this table rather strengthens than weakens the subsequent parts of its report.

The Committee next proceeds to give an account of the new Government and of measures adopted by it, which can influence the British Commerce. They observe that a new commercial system is now founded.

First. By the fundamental articles of the new Constitution.

Secondly. In the laws made by the new Congress.

The committee here states such parts of the new Constitution as have any relation to commerce.

They

They then observe,

"That many of their regulations, which are made fundamental articles of the new Constitution, took their rise evidently from defects perceived in their former Government.

"That they are founded on justice, favorable to trade, and if put into full execution relieve the British Commerce of many of the burthens put on it by individual States.

"That it may now be expected British creditors will reap the benefit of the fourth article of the late treaty of peace.

"That laws made by individual States to prevent British merchants from recovering the full value of their legal debts, appear ipso facto to be repealed.

"That the injustice and partialities of particular States, have been condemned by the United voice of the people of America assembled in Convention, and it is reasonable to suppose the present Congress will not commit the like acts of injustice.

The Committee next give an account of such acts of the new Congress as have any relation to the commerce of the British dominions.

The first Act they notice is that entitled

"An act for laying duties on goods, wares and Merchandize imported in the United States, of the 4th July (I believe) 1789.

The Merchants of Glasgow estimate the amount of the particular duties imposed on each sort of goods—an assorted cargo at 7½ per cent of its value at most, and they estimate the distinction made by the discount of 10 per cent of the duties in favor of goods imported in American vessels to amount on such a cargo to three-fourths per cent of its value at most.*

^{*}There they detail the duties: Goods average 7½ per cent. in British vessels, 6¾ per cent. in American vessels. Tonnage on American ships 6 cents per ton, about 3d.; on American built ships owned in part or whole by foreigners 30 cents, about 7s. 2d.; on all foreign vessels 50 cents, 2s.; on vessels employed in the fishing and coasting belonging to strangers, 6 cents per ton to be paid yearly.—[Letter press abstracts].

They next take notice of the Act, entitled,

"An Act imposing duties on tonnage of the 20 July '89 (I believe).

The first of these acts they observe has been since repealed and new duties imposed by an Act entitled

"An Act making further provision for the payment of the debts of the United States."

(There is reason to believe, says the Committee, that these duties are carried to the utmost extent which the people can at present bear. For in the debates of the House of Representatives, complaints have been since made of the amount of many of them, and it was on that account found necessary not to press the immediate payment of them on the delivery of the merchandize, but to allow longer credit than is usually given to those who pay public duties.)

As the duties increased by the last act do not affect many of the principal articles of British manufacture, they will not probably raise the duties on an assorted cargo from Great Britain more than 1 or $1\frac{1}{2}$ per cent above what they were in the first act, that is to about $8\frac{1}{2}$ or 9 per cent in the whole.

The Committee after giving some further account of the laws and regulations made by the new Congress, without however making any remarks on them, proceed to give their opinion on the several points referred to them by his Majesty's order in Council of the 30th September 1789, and the letter of the Duke of Leeds of 12 November '90, under the following heads.

First. Commerce. Secondly. Navigation. COMMERCE OF EXPORT FROM GREAT BRITAIN TO THE UNITED STATES.

It has been shown that nine-tenths of the articles from Great Britain are British manufactures; that goods of the x same sort from whatever European country and in whatever foreign ships imported, are subject to the same duties.

Merchants consulted do not suppose that the present duties are upon the whole higher than those to which British goods so imported were made subject by individual States before the new Constitution, and they are much less than the duties payable on like goods, not only into most European countries, but even into France and Holland according to the last treaties of commerce with those countries. The United States being now an independent nation, Great Britain upon the whole has no right to complain of those duties. As long as Congress gives no preference to like goods of other nations, Great Britain cannot complain of injustice, nor has she any reason to apprehend a competition.

It is not probable that Great Britain will suffer considerably for a long course of years from any encouragement the United States may give their own manufactures, by laying high duties on those of foreign countries.

In that part of the United States situated to the South of Pennsylvania, there are no manufactures whatsoever except a few articles made of leather, which they are enabled to manufacture from the low price of skins purchased by them. The Legislatures of the Northern and Middle States have passed laws and established Societies for the encouragement of Manufactures. The inhabitants of these

these States manufacture some coarse articles for their own use, but few for exportation. In the Southern and Middle States there is some wool, but of an inferior quality and much dearer than in great Britain. In the States of New England linen of a coarse sort has been made, and some of it has been exported for the use of other states. In new England and Pennsylvania there are many Iron works, some of them were established before the war, and nails and inferior sorts of iron tools have been manufactured, so as to diminish very much the importation from Europe.

In New England and New York many sorts of household furniture are made, and every kind of carriage in tolerable perfection, as well as some other articles, the materials of which are principally wood and iron. In New England & Pennsylvania attempts have been made to introduce cotton manufactures, but it appears, from the specimens transmitted to the Committee that these manufactures are in general of the common sort, and much inferior in quality and dearer than those of Manchester. In Pennsylvania paper mills have been erected, in which paper is made of a tolerable quality, sufficient for their own consumption, and some even for exportation; and in this State Sugar refineries have also been established (some even before the war) with success, and they are now endeavouring to draw sugars from a particular kind of maple which they have in great abundance, and thereby to diminish the quantity of sugar imported from the West Indies. They brew porter in Pennsylvania but of a very inferior quality.

The inhabitants of all temperate climates will occasionally employ themselves in manufactures for domestic use, during such seasons of the year as their lands do not require

their

their attendance. But these domestic occupations seldom give rise to manufactures of any great extent. The people of the United States find much greater profit from the cultivation of the earth, and it is astonishing how much they prefer agriculture to manufacture. Immediately after peace numbers migrated from the Northern to the Southern States, where they could obtain lands at a cheap rate in the back parts—and many have resorted and are still resorting to the interior parts of the Continent beyond the mountains, where six new settlements are forming in the States South of Pennsylvania. The principal inhabitants are great landholders, and the inferior inhabitants slaves—neither of which are likely to direct their industry to manufactures.

From what has been said the Committee think there are but two propositions to be made respecting this branch of commerce in any negociations with the United States.

First. That duties on British manufactures shall not be raised above what they now are—if this be not attainable, that the duties on British manufactures shall not at any time be raised above duties now payable in France and Holland, or at least, that they shall not be higher than those paid on like manufactures from the most favored European nation.

Secondly. That duties on all other merchandizes British or foreign imported from Great Britain to the United States, shall not be raised higher at any time than the duties on like merchandize imported from other European nations.

Equality of duties is founded on justice. Great Britain enjoys it by the laws of the present Congress. But it may be useful to bind them in future, especially as the individual States so frequently departed from this rule.

COMMERCE

COMMERCE OF IMPORT INTO GREAT BRITAIN FROM THE UNITED STATES.

It has been shown that imports have decreased annually since the war on an average £843,506 and this decrease is nearly accounted for by the decreased import of Rice and Tobacco. The imports from the United States consist chiefly of articles of food, naval stores, and of materials of manufacture. All these articles except perhaps Tobacco and Grain, can be obtained from other foreign Countries at as low a price and in as great perfection.

It has been before observed that the American trade still enjoys a great many distinctions and advantages from Great Britain which if abolished it is probable the imports from the United States would suffer a still greater reduction, and it may well be doubted whether any other market could be found for the sale of many of these articles—even at present great quantities remain on hand after plentiful crops, and this consideration has led some persons to think the commerce of the United States will in future decline, unless they can produce new staples for the European market.

Tobacco is at present the principle staple from the United States: the commerce of this article tho' diminished is still of benefit to Great Britain. The diminution is owing to the loss of the monopoly enjoyed in this article before the war, when Tobacco from the United States could only be imported into Great Britain, and yet by continuing higher duties on the Tobacco imported from other countries Great Britain still gives to the United States a monopoly against herself. If duties on Tobacco from other Countries were equalled, this commodity would be imported from the

East Indies, from the Spanish and Portuguese Colonies in America, and in a short time probably from the new settlements on the Banks of the Ohio and Mississippi, where Tobacco of the best quality is said to be produced Great Britain would thereby obtain a greater variety of assortments, and her Tobacco trade be considerably augmented.

Corn is another staple article. Great Britain has only occasion to import this from the United States in years of scarcity. At all other times the surplus quantity she may require for food, can be procured from Ireland, Quebec, or foreign European countries. 'Tis certainly, however, advantageous to encourage the importation of Tobacco, Rice, Corn, and all other articles into this Country as a deposit. But it may be doubted whether we do not counteract this policy, by encouraging the importation from the United States in a manner discourages that from other countries. For the greater the number of markets, the greater must probably be the advantage and choice of the British merchants.

From the foregoing circumstances, the Committee are of opinion, that there is but one proposition under this head to be granted the United States—viz: "That no higher duties shall at any time be imposed on American productions or manufactures, than are now paid on the like articles imported from the most favored European nations, even France and Holland."

Nor should this concession be made, unless the United States will stipulate in return, that the imports from Great Britain shall in like manner continue on the footing of the most favored nation.

The Committee do not think it advisable for Great Britain to promise a continuation of the present distinctions in favor of the United States, even for a limited time.

It may be for the interest of Great Britain in her negociations with foreign powers, to put their trade on equal footing with that of the United States, either by diminishing the duties now payable on certain goods from other foreign countries, or by augmenting them on such goods imported from the United States. The Committee however do not think that the present system should be altered unless in cases where 'tis evidently necessary for the general improvement of the British Commerce.

The commerce with the United States consisting chiefly in an Exchange of British manufactures for naval stores and raw materials, is entitled to some favorable distinctions, tho' not perhaps to the present extent.

It is proper also to observe, that this commerce is carried on with British capitals in a much greater degree than the commerce with any other foreign nation—and that in commercial matters, the merchants of G. Britain continue to have very close connections with the United States, so that any great and sudden change would be severely felt by them. Any change made therefore should be gradual—and there would be less room for complaint, if without detriment to the public revenue, duties on the importation of goods from other foreign countries, should be reduced to the level of those now payable on similar goods from the United States, and that these last duties should in no case be augmented.

COMMERCE

COMMERCE CARRIED ON BY THE REMAINING BRITISH COLONIES IN AMERICA AND THE BRITISH WEST INDIES, WITH THE UNITED STATES.

This branch of commerce is certainly much diminished since the war. The imports from the United States consist of provisions, staves, lumber, and all sorts of timber fit for building, none of which are subject to any duty and consequently no accurate account can be obtained of the quantity of each sort imported. From the great diminution in the shipping employed, it is evident the imports must have greatly diminished. The exports from the British West Indies to the United States consist of Sugar, Rum, and Coffee. The following account shows the quantity of those articles annually exported to the United States before and since the war on an average.

	Before the war.	Since the war.
Rumgallons.	2,559,664	1,653,609
Sugarcwt	46,943	31,167
Coffeecwt	3,246	2,063

If there has been a decrease of exports and imports since the war between the British West Indies and the United States, there has been on the other hand a proportionable increase produced thereby in the commerce between the British West Indies and Great Britain, and the British W. Indies and the remaining British colonies in America.

The Committee suppose, that the following proposition respecting this branch of commerce should be made the United States, viz:

"That the commercial intercourse between the remaining British colonies in America or the British W. Indies and the United States as far as relates to exports and imports shall continue on the present footing for a limited number of years.

The Committee think no engagement should be taken on this subject for an unlimited number of years. It is proved by experience that the British W. Indies want yearly less of the provisions and lumber usually obtained from the United States, a considerable quantity of provisions is now produced in some of these Islands, particularly Jamaica. Both provisions and lumber are sent to a considerable amount from Great Britain as well as the remaining Colonies in America. It cannot be doubted too, that the provisions and lumber imported from the United States to the W. Indies tend to diminish the immediate intercourse of the West Indies with the other British dominions in Europe and America. Contingencies, says the Committee, must decide whether it may ever be proper to put further restraints on this branch of trade, but it would be improper to relinquish the right of taking this subject into consideration, as occasion may require.

NAVIGATION.

The vessels of the United States coming into British ports have been left nearly on the same footing as before the war. They do not pay Aliens duty; they pay however Trinity dues, Lighthouse duties and pilotage as foreign ships in all the ports of Great Britain except London, where they still pay as British ships. The only restriction put on them by British Government is in the trade with British Colonies in America and W. Indies, where they are put entirely on the footing of all other foreign nations.

The duties imposed by the different states on tonnage (as has been before stated) was esteemed at 2s 3d more than on American tonnage, and on goods imported in a British ship 2 per cent more than on those imported in American vessels, so that a British vessel of 200 tons paid each voyage £22 10s tonnage duty, and a cargo of £2000—40 pounds impost duty more than tonnage and goods in American Bottoms.

The present Congress however has put only 2s per ton more on foreign than American tonnage, and the merchants of Glasgow estimate the duty put on goods in British or foreign vessels only at $\frac{3}{4}$ per cent more than in American bottoms, that is 12 per cent less than it was by the laws of the separate States, so that a British vessel now pays $\frac{3}{4}$ d per ton less, and consequently one of 200 tons will pay only $\frac{1}{4}$ 20 more than one of the United States: goods in the first 100 pay 12 per cent less than before, and consequently a cargo of $\frac{1}{4}$ 2000 in a British vessel will only pay $\frac{1}{4}$ 15 more than the same cargo in an American one. Upon the whole therefore the distinction between a British and American ship is now five twelfths less than before the establishment of the new Constitution.

The British vessels on the other hand possess advantages which nearly counterbalance these distinctions.

First. Insurance on American vessels to and from America is much greater than on British.

Secondly. All port charges in Great Britain are very much in favor of British vessels.

Thirdly. British vessels enjoy a great advantage in the extensiveness of their navigation, those of America being entirely excluded from the British West Indies, and not

being

being able to venture into the Mediterranean for fear of the corsairs.

These advantages should not however prevent Great Britain from counteracting the distinctions made in the United States, for of such importance is Navigation to Great Britain that where the interests of commerce and navigation could not wholly be reconciled, Great Britain has always given the preference to those of navigation, nor has she ever yet submitted to any tonnage duties on British vessels by foreign nations without immediate retaliation. The Committee suppose too, that if Great Britain acquiesces in distinctions already made, Congress may hereafter increase them until they answer the purpose for which they were intended.

FOUR MODES OF RETALIATION HAVE BEEN PROPOSED.

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First. To impose a tonnage duty on American vessels equivalent to the difference made in the United States on British vessels. The Committee oppose this in the idea, that the trade consisting chiefly in an exchange of British manufactures for raw materials, it may confine this trade to so much only of the several articles, of which it consists, as would be necessary for the consumption of Great Britain, and would prevent their being brought to Great Britain as a place of deposit.

It is the opinion even of some, that both American and British vessels have already too many inducements to carry these bulky articles to other ports than those of Great Britain.

The second mode of retaliation proposed, is to impose a duty on goods exported from G. Britain to the United .

States in American bottoms equivalent to that imposed on British bottoms in the United States. This proposition made from Liverpool would have this bad effect, that goods exported from Great Britain to the United States in British or American vessels would pay heavier duties either here or in America than like goods of other foreign nations imported into the United States in American bottoms, and should Congress think fit to augment the distinctions now existing and Great Britain continue to retaliate in this way, the duties would soon be so high on British manufactures as to exclude them altogether from the United States.

A third mode of retaliation is, to allow a bounty on Brit-ish vessels equivalent to the distinctions made to their disadvantage in the United States.

But in this case it will be necessary to raise the bounty in proportion as Congress may hereafter augment these distinctions, and Congress will thus impose a charge on the revenues of G. Britain by the same measures which burthen the commerce of G. Britain and increases the revenues of the United States.

The fourth mode of retaliation—to impose duties on imports from the United States in American bottoms equivalent to those imposed in the United States on imports in British bottoms, but this proposition is liable to all the objections made to the first mode of retaliation.

The merchants and ship owners of Liverpool are for immediate retaliation, in the idea that it will oblige Congress to enter into a negociation on more reasonable terms. They pretend, but without sufficient foundation, that the present duty of ten per cent, bears harder than any distinctions of particular States, and that British vessels will

no longer get freights whilst there are any of the United States ready to receive them.

The merchants of London, Bristol, and Glasgow, think on the other hand it were more advisable to try first negociation, and if justice cannot be obtained in this way, then to proceed to retaliation. It is clear therefore that all these merchants look forward in certain contingencies, to a measure of this nature.

The Committee think then, that if retaliation does become necessary, the best mode will be to impose on Tobacco, Rice, and such other articles as may be obtained equally cheap from other foreign Countries, which may be imported in vessels of the United States for the consumption of G. Britain a greater duty than on the like articles from other foreign countries—allowing always such articles imported from the United States for the purpose of being warehoused in Great Britain to remain subject only to the present duties even if exported in American bottoms: and granting a bounty of 15 s per hogshead of Tobacco, imported in British vessels on being taken out of the warehouse for exportation.

In such case too it will be proper to subject the American vessels to aliens duty. It is to be apprehended indeed that this last measure must be at all events adopted, for there is reason to believe other foreign nations will not patiently submit to this distinction, if the ships of the United States continue exempt from it.

The Committee think this mode of retaliation will answer every purpose, and it is probable Members of Congress from the Southern States, sensible how it will tend to diminish the sale of their staple commodities, will resist any violent measures the northern Members may be inclined to on this account.

This mode of retaliation will not augment the price of the above articles brought over for consumption in G. Britain, as a sufficient quantity for this purpose may be brought in British vessels, by encouraging the importation of like articles from other Countries, the price may even be diminished in the British market.

It will not prevent the importation of goods from the United States to G. Britain as a place of deposit, even in American vessels, as no new duties will be laid on them, and by giving a bounty on Tobacco imported in British ships, on re-exportation, this trade may be again restored to its former flourishing condition, when this commodity was necessarily brought from the United States to G. Britain.

The merchants of Glasgow estimate the charges of landing and reshipping a hogshead of Tobacco in G. Britain, together with the freight and insurance to Holland and Germany at 15 to 20s per hogshead. It may be thought this bounty will fall too heavy on the revenue of G. Britain.

There are 50,000 hogsheads less imported into G. Britain than were before the war, and supposing the bounty of 15 s will be paid even on 60,000 hogsheads it will amount to 45,000 \mathcal{L} per annum. But the merchants of Glasgow alledge that a ship of about 200 tons, going to a foreign port, spends therein not less, on an average, than 4 or 500 \mathcal{L} which is a gain to the foreign port, and in proportion a loss to the ports of G. Britain. It is certain that the duties paid in every such foreign port upon cordage, sail-

cloth &c. employed in refitting the ship, and on wines, spirits, Beer, cloth, candles &c. consumed by the crew, and all those whom this business occupies, would, if such ship came to a British port, be an additional revenue to G. Britain. The merchants observe also, that many of the seamen thus employed are in the end lost to this country, for by navigating from one foreign port to another, they acquire foreign connections, particularly in America, so that they no longer retain their natural attachment to G. Britain.

This retaliation and particularly the bounty proposed might stop another impending evil. The Committee are informed that merchants in this country are employing part of their capitals in building ships in the United States to carry on the trade with the United States, and thereby avoid the distinctions against British vessels. however hostile this is to the interests of Great Britain, it is doubtful whether there be any other lawful manner of preventing, than by making it no longer the interest of an inhabitant of Great Britain to venture his property in such speculations.

The Committee seem to think their suffering a direct navigation between the ships of the United States and those British Colonies in America and the West Indies entirely out of the question.

The Committee suppose there is but one proposition to be made to the United States on the subject of navigation, viz:

That British ships shall be treated in the ports of the United States with respect to the duties of tonnage and impost in like manner as ships of the United States shall be treated in the ports of G. Britain.

If the principle of equality is adopted, it is then to be considered whether American ships should not be made subject to aliens duty, and Congress allowed to impose an equivalent on British ships—or whether every distinction of this sort should not be altogether abolished on both sides. The Committee incline to the first measure.

Should Congress propose to apply the rule of abolishing all distinctions to trinity dues, light house duties and pilotage, tt could not be complied with. Because—"These sorts of charges are of ancient establishment and the property of private persons, or corporate bodies, the funds arising from them, in many instances, applicable to public works, or charitable purposes, an attempt to equalize them would affect the interests of many ports in the Kingdom, & alter their relative situations; would increase the great advantages the Capital already enjoys in trade over many other ports of the Kingdom: would in fine induce and intitle other nations to claim a like equality, which it is impossible to grant."

Should Congress propose (as they certainly will) to extend this equality to the British Islands, and Colonies and that their ships should be there treated as British ships, it should be answered that this demand cannot be admitted even as a subject of debate. By the public law of Europe, every nation has a right to regulate the commerce of its Colonies, as seems most conducive to the interests of the mother country. No foreign nation has a right to interfere. This branch of freight is of the same nature with the freight from one state to another. Congress confines this freight to the vessels of the United States, nor does G. Britain object to this restriction. The United States are at present

an Independent nation; and as such, have now no pretence to claim the privileges they once enjoyed as British Colonies.

If it should be proposed to treat on maritime regulations, all the articles of maritime law might be agreed to with the United States, which have of late been agreed to with other foreign nations—except that any article allowing the ships of the United States to protect the property of the Enemies of G. Britain in time of war should by no means be allowed. It would be more dangerous to concede this to the ships of the United States than those of any other nation. From their situation the ships of these States might cover the whole trade of France and Spain with their Islands and Colonies in America and the West Indies.

The Committee are of opinion that negociation should first be tried before violent measures are taken. already been shewn that the British Government has taken no hostile step in consequence of the oppressive measures of many of the States. Some allowance was to be made for the resentment natural after a war of seven years, and in this case, forbearance in every thing not essential, was a prudent as well as a dignified line of conduct. There was some reason to hope that time would diminish that hostile spirit, and recollection of former connections might lead the United States to a more favorable disposition towards G. Britain. Circumstances might also occur to detach them from their new connections and make the people of the two countries, though no longer fellow subjects, friends at least, as before the war. Government has indeed been not altogether deceived. The new system is certainly more favorable

favorable to British navigation — and there can be no donbt from the proceedings of Congress, and from all that passed in their debates during the two last sessions, particularly in the American Senate, that a party is already formed in favor of a connection with Great Britain, which by moderation on her part, may perhaps be so strengthened, as to bring about in a friendly way, the objects in view. It would indeed be extraordinary, if after having submitted to a more disadvantageous situation than the present Great Britain should commence a commercial hostility at a time the American Government appears more favorably disposed towards her. On the other hand, it would be imprudent, as yet, to place too much confidence on their supposed good intentions till experience shews whether Congress is inclined to persist in them, and influence enough to carry laws founded on them into execution throughout the United States.

The Committee therefore are of opinion that his Majesty should enter into an open negociation with the United States, particularly as Congress appears inclined to it. But will be right to declare that G. Britain can never even treat on the admission of vessels of the United States into the ports of the British Colonies in America and the West Indies. It may be proper too, to let them understand that G. Britain has measures in view, sufficient for the support of its own commerce and navigation, should Congress make further distinctions.

The Committee agree that the commercial intercourse between Great Britain and the United States is beneficial to both countries, but say, 'tis certain the United States has more to apprehend from the interruption of it than G. Britain from any restriction which can be added. It has

been

been shewn that the commerce of the United States with other European nations is small, and there circumstances which render the further extent of it dangerous. merchants of Great Britain alone are inclined to run the risk, and give the credit necessary to the support of a commercial connection with all newly established countries. The articles of the United States are but few, and can be obtained in equal perfection from other countries, and it is more likely that the demand of them from them should in future diminish, than increase. When the crops fail in Europe the United States may export great quantities of corn to Europe. But no trade is so precarious as that of corn, and no system of commerce permanently profitable can be founded on. New settlements too are forming in the neighbourhood of the United States, which must soon rival them in this, and every other staple commodity they produce. Their fisheries once so prosperous, are on the decline for want of a market, they being now deprived of the share they formerly had in the British markets. Since the peace, they endeavored by means of the cheapness of Rum distilled from molasses, to carry on a trade to Africa, but with little success. They launched also into a trade with countries beyond the Cape of Good Hope, particularly China, which was at first profitable, but soon found its limit, and have since declined. The United States has not sufficient wealth to support a large consumption of Asiatic luxuries, so that those engaged in this trade, now found their hopes in smuggling these articles into other countries. Their commercial intercourse, tis true, with the French Islands has of late greatly increased, and they have no doubt profitable connections with the Spanish dominions

dominions. But these sorts of commercial intercourse, though agreeable to the French and Spanish Colonies, are highly detrimental to the interests of the mother countries, the continuance of these advantages must be precarious, and will depend on circumstances.

[Such is the present state of the commerce of the United States. The Lords of the Committee have thought it right thus to collect all facts and circumstances, in order to shew that this country may safely resist all unwarrantable pretensions; but not to prevent a commercial arrangement with the United States, founded on terms which are consistent with the essential interests of the commerce and navigation of the British dominions].*

END OF THE REPORT OF THE COMMITTEE.

The Committee inserts here several papers under the title of "Accounts received since the Report was printed, with observations on them."

The first paper consists of a letter from the Secretary of the Treasury of the United States, transmitting to the House of Representatives an abstract of the exports of the United States from August 1789 to the 30 September 1790. On this the Committee makes the following observations.

"That this amount of the exports is probably more than in a common year, for the great want of grain during the latter end of 1789 and beginning of '90 occasioned a much greater export of it than was usual in common years, and augmented the price of flour and wheat in America to double what it usually was. This increase of exports is proved by the state of exchange during the above period.

The par of exchange with Philadelphia is $66\frac{2}{3}$ per cent. Ever since 1783 this exchange had been on an average 70 per cent, which is from 3 to 4 per cent above par.

From November 1789, when this great export of grain began, it fell first to 50, then 45—and at last even to 40, because the balance of trade had become in favor of Philadelphia from this unusual export of grain. But in July '90 when the export of grain began to decline, the exchange rose again to par.

It appears by this abstract that the exports from the United States to the British dominions were nearly one-half of the whole of their exports, those to the French dominions less than one-half of those to the British dominions, and it is probable that the increase of exports to the French dominions, above the common average, was greater than to the British, or any other foreign power, because the dearth of grain was greater in France than any where else. About this time too, the French Islands first opened their ports almost without restriction to importation from the United States.

IT IS SINGULAR HOW SMALL IS THE PRODUCE OF THEIR WHALE FISHERY.

The second paper inserted, is published by M^r. Jefferson, in the appendix to his report of the first of February 1790,* on the cod and whale fisheries of the United States, and respects imports of grain into France in the year 1789. The Committee observes that this too includes a part of the time in which there was such a dearth of grain in Europe.

^{*}Should be 1791. Printed in American State Papers (folio) vol. vii, p. 8.

They observe too, that as the produce of grain in France is supposed in common years sufficient for its consumption, the trade of the United States with France in all grain, except rice, must depend on the season, and consequently be very precarious.

The third paper or account inserted, is likewise taken from the above mentioned report of M^r. Jefferson, and contains an account of the number of vessels which entered the ports of France from the United States during 1789. The Committee only observes that it will serve to prove what they had before cautiously hinted viz: "That British vessels have a considerable share of the commercial intercourse carried on between the United States and the several nations of Europe."

To what has gone before, the Committee has annexed an appendix, containing papers referred to by them in the course of their report. There are four different papers, marked A. B. C. D. The two first we shall proceed to take notes from. (C) includes the act of Congress entitled "An act for laying duties on goods, wares and merchandizes imported in the United States.

(D) includes the Act entitled "An Act making further provision for the payment of the debts of the United States.

APPENDIX (A).

No. 1.

Questions referred on 15th October 1789 by the Comm^{ee} of Privy Council for all matters relating to trade and foreign plantations to a Comm^{ee} of Merchants of the city of London and to the Merchants and Shipowners of Bristol, Liverpool and Glasgow concerned in trade with the United States.

Ques. I.—In what respect and degree have the commerce and shipping interests of G. Britain suffered by distinctions made by the different States previous to the late impost and tonnage acts by Congress?

- Q. 2.—Will commerce and navigation of G. Britain be on a worse footing under the acts of Congress than they were under the acts of the different States?
- Q. 3.—If goods brought in an American vessel were put on the same footing as to duties, with those brought in other foreign vessels and an equivalent put on American tonnage in Great Britain to that on British tonnage in the United States, would it secure to British vessels their share in the American trade, or lead Americans to carry their produce in their own ships to other countries?
- Q. 4.—If the British Government acquiesce in the distinctions made, is there any security from the nature of the trade between the two Countries that Congress will not increase those distinctions to the final exclusion of British shipping?
- Q. 5.—Do American vessels at present prefer carrying their produce, particularly Tobacco and Rice, to the ports of other countries rather than of G. Britain, & why?
- Q. 6.—Do not British vessels carry the produce of the United States to foreign rather than British ports, in what degree and from what causes?

ANSWERS (No. 2.)

COMMITTEE OF MERCHANTS TRADING FROM LONDON TO AMERICA.

Answ. to Q. I.—Both the commerce and shipping of G. Britain did suffer greatly by the distinctions made by the United States.

A. to Q. 2.—The Committee do not suppose either the commerce or navigation to be on a worse footing now than they were under the State Legislatures. In some States they have even gained under the new Constitution.

A. to Q. 3.—The Committee are rather of opinion that the duties American bottoms still pay less than other foreign bottoms, should be dispensed with yet for a time—the United States proceed fast to an established Government, their ancient attachment to us gains ground fast, they will seek a treaty with us, & advantages may be gained by temporary forbearance. A new duty on tonnage equivalent to the distinctions in the United States would at first no doubt operate in our favor, but Congress would soon proceed to lay an overbalance of tonnage duty on British shipping. The difference in favor of our shipping and what American ships pay here is already considerable. An American ship of 160 tons pays here,

Light money£21 15	s 00	ı		
Trinity dues 5 4				
Entry & Clearance 8 7	7 0			
		£35	6 s	2 d
But pierage laid on the cargo is again restored to the ship, 9 d p	r ton	. 6	0	0
		£29	6 s	2 d
A British ship 160 tons pays in America 50 cents pr ton, equal to	, ,	,-0		o d
Entry and clearance not more than		. 2	0	0
		£20	OS	o d

Besides pilotage and other port charges in America are much less than in G. Britain. British ships enjoy a very considerable share of the carrying trade, particularly in Maryland, Virginia and South Carolina, to the exclusion of other foreigners, and it is more than probable a heavier duty on American bottoms would induce the American Government to cause their produce to be carried in their own ships to other Countries,

A. to Q. 4.

A. to Q. 4.—Duties hitherto imposed we know by experience have not deprived British shipping of this trade—the different States had made distinctions in favor of other nations to the prejudice of G. Britain, but this partiality being extinct under the new Government, America would be much irritated at any new impositions in this country and certainly has it in her power to retaliate. Great Britain should not complain of the partiality of America to her own navigation since she sets her the example. If the submission of Government without remonstrance may be called acquiescence in the measure it is impossible to say how far this silence may operate, but 'tis not conceived that it will induce Congress to increase the duties on British shipping.

A to Q. 5.—American vessels do prefer carrying their articles to other markets from an expectation of better markets, shorter voyages; but one great temptation is much less expenses on shipping and cargoes, charges on Tobacco and Rice, particularly the last in G. Britain are severely felt, and occasion these and other articles to be carried by both American and British ships to foreign ports. France gives great indulgences to entice them—free ports both in the Bay and British Channel, where their contingent charges are also small.

A to Q. 6.—British shipping like all others prefer going to ports where the charges are small. The proportion of British vessels carrying American produce to foreign markets cannot be easily ascertained. Few American vessels enter within the straights or in the track of Barbary cruisers. In these voyages therefore foreign vessels are employed, and no doubt the British have the preference.

Nov^r. 13. 1789.

By order of the Committee

EDW. PAYNE, Chairman.

(No. 3.)

MERCHANTS & SHIP OWNERS OF BRISTOL.

A. to Q. 1.—When America treated G. Britain with distinctions in favor of other nations our commerce and especially shipping suffered in a considerable degree.

A. to Q. 2.—Both commerce and shipping of G. Britain are now on better footing than under the laws of the different States.

A. to Q. 3.

A. to Q. 3.—If the measure proposed is adopted it may no doubt increase the carrying trade in British ships, but would manifestly injure the American trade to this country and induce them to send their produce in their own ships to markets of all other nations. The balance of trade with America is importantly in our favor—that balance will increase while America prospers. We therefore wish to see the trade cherished by Government, and are of opinion that it is for the advantage of G. Britain to continue her indulgence to the returns in produce made us by America, most of which are very necessary to our manufactures.

A. to Q.4.—The settlement of the American government gives fair ground to hope for an equitable treaty with them; the advantages of commerce to two independent States must be in some measure reciprocal or cannot be lasting. Our markets are as necessary to the United States as theirs to us. The power of retaliation will therefore deter her from excessive impositions.

A. to Q. 5.—There is a greater consumption of Tobacco and Rice in other European markets than in England. The Americans will therefore naturally carry such produce immediately to them than make G. Britain the grand repository, where they complain of much expence and perplexing inconvenience in the discharging and re-exporting of such cargoes.

A. to Q. 6.—British vessels prefer carrying American produce to other countries from the same causes, and it is probable the severities exercised under some of the late acts and regulations tend to make British vessels prefer other foreign voyages.

(No. 4.)

MERCHANTS &c. OF LIVERPOOL.

A. to Q. I.—British vessels did certainly suffer very much from distinctions made by the States, inasmuch as that British vessels could procure no freights while American ships were ready to receive them, except in the trade to Pennsylvania where no distinctions existed, and British vessels had a decided preference.

A. to Q. 2.—That clause in an act of Congress which remits ten per cent of duty on goods imported in American vessels bears harder on the

British

British vessels than any thing which existed before, and must give American vessels a decided superiority in freights.

A. to Q. 3.—Additional duties in general on imports in American vessels from the United States would check the importation of them in all cases, but above all for re-exportation. Two modes are here proposed to counterbalance the ten per cent bounty in the ships of the United States.

First. To lay duty on all goods exported in American vessels bound to America equal to the ten per cent bounty in America to be paid by the shipper of the goods, where correspondent will have the same allowed to him there—or

Secondly. That all goods entered outwards in American vessels for the United States be entered free of any new duty to the shipper of such goods, such shipper specifying very exactly the contents of his entry, and in case they be goods which pay duty ad valorem in America, he to ascertain the value of such goods upon oath, that upon such American vessel clearing out the captain shall pay the exact amount of the bounty which will be allowed in America by the discount of ten per cent in the duty payable inwards, this to be paid exclusive of the tonnage. meet the tonnage duty imposed by the Americans, a tonnage duty might be imposed on American vessels equal to that laid extra on British shipping. We may perhaps be allowed here to suggest that it would tend much to cement a friendly intercourse with the United States if their vessels were put on the same footing as those of Great Britain in all port charges &c. provided always that such American vessels return direct to America and not if they proceed to places not belonging to the United States.

A. to Q. 4.—We conceive that an acquiescence of G. Britain in the present distinctions would not be any security against an augmentation of them, for the object is to give the northern States a monopoly of the carrying trade of the Southern ones which the present duties have not been able to effect.

A to Q. 5.—The speculations of the Americans to send their Tobacco and Rice immediately to other markets have in general turned ill, and would have been more checked but for the late dearth in France, which led them to buy up all the Rice that arrived — as to Tobacco, the quan-

tity sent directly to foreign ports bears but a small proportion to that sent to Great Britain.

A to Q. 6.—We conceive that British ships in the American trade do not carry American produce to foreign ports in any considerable degree, nor do they carry it in preference unless from the temptation of greater freight or a better market.

(No. 5.)

Merchants &c. of Glasgow sent two reports, the first most approved of, but the second thought worthy of being transmitted likewise to the Committee in order that it may have an opportunity of judging of the different arguments made use of by those concerned in this city.

REPORT Ist

A. to Quest. I.—Tho British merchants & ship owners no doubt suffered much from the distinctions made by the different States—it is supposed that in general (for there was a great variation in different States) there was a difference of 1½ to 3½ \$\mathbb{D}\$ cent of impost in favor of goods imported in American vessels. We suppose too that upon an average of all the United States British vessels were subjected to a duty of 2s to 2s 6d per ton more than American vessels say 2s 3d. The degree of injury suffered can only be guessed at, but it may perhaps be nearly as follows—

States is £1,200,000 at 2 \$ cent average distinction of the impost is....... 24,000

Which sum upon this estimate would have been the annual loss of the British merchants and ship owners previous to the new Constitution.

A to Q. 2.—Comparative duties being diminished by the present Congress, the British interest will on the whole be on a better footing than it was. For instance, the difference between American and British tonnage is now only about 2s before it was on an average 2s 3d—again, the only difference between goods now imported in American or British

vessels

£37,500

vessels is a discount of ten $\mathfrak P$ cent in favor of the former. The average of the imposts upon an assorted cargo imported into the United States will amount to from 6 to 7/2 $\mathfrak P$ cent and therefore from 2/3 to 3/4 th $\mathfrak P$ cent against those imported in British or other foreign vessels. According to the estimate then in the preceding answer the total additional duty paid on ships and goods more than those of A_2 will be

On 120,000 tons shipping @ 2 s	£12,000
On £1,200,000 value goods therein imported at 3/4 % C	9,000
	£,21,000

Consequently £16,000 pr annum less at present than under the laws of the different States, and this extra tax we believe is fully counterbalanced by the advantages which British ships possess in other respects.

A to Q. 3.—The British shipping even under the State distinctions still maintained a large share in the American trade. There can be little danger therefore of losing it now under more favorable circumstances. however just retaliation on American shipping in British ports might be, we doubt whether it would be good policy in the present moment. trade to and from the United States is of great importance to the navigation, as well as mercantile interest of G. Britain on aecount of the bulky produce of the States which employs so many British vessels in the transportation of it. It is probable therefore if any new duty was put on American vessels, Congress would contrary to their own interests immediately impose new duties on British shipping and besides make distinctions in favor of other foreign vessels. A large party indeed in the late House of Representatives wished to do this, tho' by the firmness of the Senate it was overruled. Should G. Britain continue to retaliate we have no doubt but that she in the end would prevail, but such a measure would in the mean time cramp the trade, tend to keep up the animosity between the two countries and possibly divert the trade into other channels, from whence it might not be easily recovered. these reasons we presume it would be impolitic at present to retaliate, more especially as American shipping with other foreign vessels pay about Is 9 d pr ton in G. Britain for light and Trinity dues more than British ships. As this extra duty in America is however a grievance we would by all means advise to endeavor to get rid of it by negociation.



If that fails it will then be time enough to retaliate. In the mean time it is proper to remark that every additional duty in British ports on American bottoms has most assuredly a tendency to induce the Americans to send their produce in their own vessels to other markets more than they now do, and of course lessen the advantages of a depôt to G. Britain.

A. to Q. 4.—There is certainly no absolute security in the circumstance of the trade to prevent Congress from augmenting the distinctions against G. Britain. They can never however suppose that G. Britain acquiesces in what has been done through fear, and it is assuredly the interest of the United States, especially the Southern States, to cultivate a connection with G. Britain by the credits given and employing its shipping in rivalship with those of the Northern States. We are inclined to think that there will be a majority in Congress against violent measures, and let the worst happen G. Britain can always have recourse to retaliation.

A. to Q. 5.—We know not that American vessels prefer carrying their produce to other markets, but as the expences of re-exportation &. falls very heavy on their bulky commodities and but a small portion of them is consumed in Great Britain and Ireland, it is very natural that they should prefer sending them directly to other countries, and this must still continue unless encouraging measures are adopted for rendering G. Britain the emporium of such produce, because every merchant must pursue his own interest, and at present it is his interest to carry these productions immediately to the place of consumption. There is no doubt therefore that a greater quantity of the bulky produce goes from the United States to other countries in American vessels than is brought to G. Britain.

A. to Q. 6.—For the reasons in the preceding answer it is most assuredly a fact that even British vessels carry a greater proportion of the bulky produce immediately from America to other ports than they bring to G. Britain. Perhaps $\frac{2}{3}$ ds of the bulky produce which falls to the British vessels is thus transported to foreign ports. Without this the British merchant could not enter into a competition with either the American or other foreign merchant in the sale of such articles. the merchants all regret this necessity very much. Tobacco alone from the United States employs 200 to 250 ships annually of which at least $\frac{3}{4}$ th

are British, and well do we remember that before the war when it was not legal to carry Tobacco elsewhere in the first instance the merchant had an allowance of 10 lbs Tobacco pr hhd. free of duty and also an half penny per pound for all damaged Tobacco cut off at the Kings scales and burnt. The master of the ship also had a small allowance under the name of portage bill, provided he made a faithful report of his cargo. All this enabled the merchant to re-export at a small additional expense, and such transportation gave employment to a multitude of coasting vessels, and their seamen. These encouragements withdrawn. Now too that there is no obligation of bringing their Tobacco to G. Britain in the first instance; It is carried immediately to the port of consumption, when the expense of refitting the ship, and seamens wages are expended amounting to no less on an average than 4 to £500 every voyage, and all the duties on sail-cloth, Beer, wine, candles &c. not only lost to the revenue, but the circulation of the whole money, and employment of the tradesmen lost to the sea port Towns of G. Britain, and probably too many of the seamen by habitually navigating from one foreign port to another, lose their natural attachment to G. Britain.

(No. 6.)

REPORT 2d. OF GLASGOW.

A. to Q. I.—The commerce and shipping interests were hurt under the laws of the different States, in proportion to the extent of the different duties on goods imported in American and British vessels, which difference may be supposed equal on an average to 2 per cent of the original cost of the goods. The difference of tonnage duty has militated in the same way in favor of American vessels—this difference may average about 2s 3 d per ton. It is supposed there are 600 British vessels of 200 each in the American trade. To illustrate what has been said, suppose a British vessel of 200 tons trading to Virginia and Maryland, bringing back produce to G. Britain, and making three voyages in two years equal to one and an half voyage in one year. Suppose every voyage she carries out 2,000 value of goods—the yearly disadvantage of such a vessel compared to a similar one of the United States would be

Difference of duty on 200 tons at 2 s 3 d per ton£2	2 108
Difference of do on £2,000 at 2 per cent	0 0
Add one half for the half yearly voyage 3	1 5
Total difference£9	3 15 S

equal to 6½ per cent on a ship worth £1500. This has proved an immense encouragement to American vessels, so that many have been built in America by means of British capitals, and owned by British merchants, but navigated by American seamen.

A. to Q. 2.—The British interest is on a better footing than it was, the difference on tonnage is now only 2s, and the duty on goods about 7½ per cent on their value, from which an American vessel has a discount of 10 per cent, equal to ¾th per cent on the value of the goods. So that the disadvantage of a British vessel of 200 tons on the preceding suppositions will stand,

Difference of duty on vessels 200 tons at 2s per ton£20	o os
do do on £2000 at 3/4th per cent	5 0
Add one half for the half yearly voyage	7 10
Total	2 105

Vearly difference at present between an American and British vessel, which is 3½ per cent per an. (on her worth 1500) This difference tho' less than it was, will in the end give a decided superiority to American shipping. It will be found since the war, that shipping has been a bare, if not unprofitable trade. There are circumstances which will contribute to the diminution of our carrying trade, merchants, ships, and seamen—such as these—

First. Before British merchants did build many vessels in the United States rather than in G. Britain, because it could be done cheaper, now they are restricted to build in England alone, and tho' a British ship will last longer she is much dearer.

Secondly. British ships are subject to duties on hemp, iron, timber, pitch, and tar employed in ship building, far exceeding those in other parts of Europe and America, per example. The duty on hemp in G. Britain is £3 13 s 4 d p^r ton, in the United States 5 s p^r ton to take place in May 1790 even tho' they grow hemp and will in time raise it of an excellent quality. Similar duties existed before the war, but G. Britain had the monopoly of the American trade, now she must act in competition with America and all Europe.

A. to Q. 3.

A to Q. 3.—Duties on American ships in G. Britain equivalent to those imposed on British ships in America would not prevent the same quantity of American produce being brought to G. Britain, more only would be brought in British ships, less in those of America. Great Britain must now content herself with that share of the Tobacco trade which is wanted for the consumption of Britain & Ireland. Tobacco wanted by France, Holland & Germany will go directly there, and their consumption is equal to two thirds the whole growth of America. The consumption of Rice in Great Britain must be inconsiderable. Tar, Pitch, Turpentine &c. will be imported into G. Britain equal to her consumption. Wheat and flour will also be imported when her ports are open.

A to Q. 4.—There is no security that Congress will not increase distinctions on foreign vessels. They will probably do it in proportion as their own shipping increases. Other nations may equalize but have no right to complain of what has been done on this head. Congress have acted with true political wisdom and on sound principles of navigation laws, and will not be disposed to alter so wise a system.

A to Q. 5.—Both British and American vessels prefer carrying the produce of America to other foreign ports, particularly Rice and Tobacco, because it will cost 15 @ 20 s on every hhd. Tobacco sent from G. Britain to France, Holland or Germany. In a fair and lawful trade when merchants consult their own interest they best consult that of the public. The American merchant does not purchase British manufactures merely because they are British, but because they suit the country and are cheaper, but on the other hand he rejects not the French manufactures because they are French, but because less suited to the people, of a worse quality and dearer. It is true since the peace more Tobacco has been imported in G. Britain than was necessary for her consumption. This has arisen probably from former habits and the allowance of 10 lbs Tobacco on every hhd. free of duty, equal at the present duties to 12 s 6 d pr hhd, which was a bounty granted when it was unnecessary, perhaps improper, and has been withdrawn about four years. it is probable however that the importation into G. Britain will be diminished nearly to the extent of the British and Irish consumption and what may be wanted for the ports of the Baltic which cannot afford to be direct importers.

APPENDIX (B.)

List of such vessels and the respective tonnage of each denomination as entered the Port of Philadelphia from 1st September 1772 to September 1775, distinguishing each year, and also distinguishing those which were owned in G. Britain, Ireland and such parts of the British dominions as are not now comprehended in the United States (N°. 1) N°. 2 those which were owned in Philadelphia alone, and N°. 3 those which were owned in the Colonies which now compose the United States.

1772 TO 1773.	(No. 1) British.	
23 Shipstons 3,508 30 Briges '' 2,925 4 Snows '' 370 22 Sloops '' 1,043 18 Schrs '' 822 97 vesselstons 8,668	28 Shipstons 4,304 33 Briges " 2,853 12 Snows " 1,246 24 Sloops " 1,142 22 Schrs " 962 119 vesselstons 10,507	35 Shipstons 5,590 33 Briges " 3,170 7 Snows " 730 22 Sloops " 1,006 17 Schrs " 842 114 vesselstons 11,338
	(No. 2) Philadelphia.	
109 Shipstons 18,385 140 Briges " 12,148 25 Snows " 2,902 39 Sloops " 1,806 63 Schrs " 3,226 376 vesselstons 36,467	116 Shipstons 17,569 176 Briges " 15,749 18 Snows " 2,092 42 Sloops " 1,844 54 Schrs " 2,959 406 vesselstons 40,213	146 Shipstons 23,406 205 Briges " 802 17 Snows " 1,972 36 Sloops " 1,844 35 Schrs " 1,834 439 vesselstons46,858
	(Nº. 3) America.	
5 Shipstons 900 46 Briges ' 3,856 1 Snow ' 160 139 Sloops ' 6,503 80 Schrs ' 3,899 271 vesselstons 15,118	6 Shipstons 860 28 Briges " 2,224 	7 Shipstons 902 30 Brigges '' 2,576 1 Snow '' 80 130 Sloop '' 5,843 78 Schrs '' 4,025 246 vesselstons 13,426

A table shewing what proportion the tonnage of Great Britain employed out of the port of Philadelphia bore to the tonnage employed out of that port and owned therein, upon an average of three years antecedent to the war, and what proportion the tonnage of G. Britain so employed then bore to the tonnage of Philadelphia united with the other twelve American Colonies so employed, shewing also what proportion the British tonnage now employed in the trade of Philadelphia bears to the tonnage of all the United States employed out of that port upon an average of the last two years.

	1773.	1774.	1775.	Total.
British	15,118	12,922	11,333 46,858 13,426 60,284	

By the foregoing table it appears that the tonnage of G. Britain employed out of the port of Philadelphia in the above years was not equal to ¼th part of the tonnage employed out of and owned in the port of Philadelphia and that the tonnage of G. Britain then so employed bore only a proportion as 2 to 11 to the tonnage of Philadelphia and the other twelve Colonies so employed.

	1788.	1789.	Total.
British	23,004	27,372	52,376
	28,028	37,728	65,756

By the above table it appears that the tonnage of G. Britain employed out of the port of Philadelphia in the years of 1788 and 1789 amounted to within 1-5th part of the tonnage of all the United States combined so employed.

A List of British vessels which entered Philadelphia from September 5th 1787 to 5 September 1788.

From G. Britain.	From Ireland.	British W. Indies.	British American Colonies.
Tons. 16 Ships 3,748 19 Briges 2,907 3 Snows 456 3 Sloops 198 1 Schooner. 85 42 7,394	Tons. 4 Ships 1,021 1 Brige 135 1 Snow 90	Tons. 1 Ship 174 52 Briges 6,229 64 Sloops 5,597 24 Schrs 1,695 141 13,695	Tons. 1 Ship 160 6 Briges 462 1 Schooner 47 8 669

A list of British vessels which entered Philadelphia from 5 September 1788 to September 5 1789.

From G. Britain.	From Ireland.	British W. Indies.	British American Colonies.
Tons. 23 Ships 5,967 19 Briges 2,936 1 Snow 104 4 Sloops 223 1 Schooner. 42 48 9,272	Tons. 15 Ships 2,961 5 Briges 631 1 Snow 108	Tons. 3 Ships 600 48 Briges 6,010 69 Sloops 5,586 29 Schrs 2,332 149 14,528	Tons. 1 Ship 162 10 Briges 1,060 2 Sloops 106 7 Schrs 544 20 1,872

THE PITT TRADE BILLS.

THE following bills were introduced into Parliament in 1783 for regulating the trade between Great Britain and the United States. The trade enactments passed in the first years of the Revolution, suspending all intercourse between the mother country and her revolted colonies were still in force, and it was Pitt's hope not only to wipe out all the causes that had occasioned the war, but also to admit the Americans into the benefits of English commerce on terms of equality with English subjects, a policy that had it been carried into effect would have overthrown the narrow and selfish commercial system of that time, and prevented many unhappy disputes that afterwards arose between England and the United States. Pitt was forced to abandon his measure, and Fox had little sympathy for so liberal a concession to America, while the delay in acting upon it allowed important and hostile interests to defeat it. The various forms in which this bill was reported to Parliament are here reprinted, and their history is told

in

in the letters of Henry Laurens, then in England seeking health, to Congress. Thus writing from London on March 15, 1783, he said of No. 1:

The House of Commons had indeed introduced a bill for a "Provisional Establishment and Regulation of trade and Intercourse between the Subjects of Great Britain and those of the United States of North America." A printed copy was put into my Hands and my opinion asked by many members of that House. I objected generally to opening trade merely by Act of Parliament and specially to certain parts of the Bill, but above all to an Intercourse until the Citizens of New York shall be left in quiet and complete possession of their whole Country and every hostile Troop withdrawn from the United States. That Bill I am informed is annihilated and another projected; a Copy of the new Bill I am to receive to-morrow.

On April 5 he enclosed Bills Nos. 3 and 4, of which he said:—

* * * * * *

A third Bill called "an Amendment" for a provisional Establishment and Regulation of Trade" &c. had been brought into the House of Commons. My opinion was again solicited by different Members which as usual I thought it prudent to withhold, but being pressed I at length framed a supposed American Bill for regulating Commerce with Great Britain and suggested that it had been received by a Courier. this I held up as a Mirror to some of the most active men in that House. From that time the 22^d March, their own Bill, which was to have been finished on the 23^d, has slept with very little Interruption and is now in all appearance dead. I do not ascribe its demise to a sight of the supposed Bill, a Copy of which you will receive enclosed, although the Gentlemen acknowledged themselves affected by it.

I have had a conference with Mr. Fox. Mr. Fox was

desirous of knowing whether the American Ministers were authorized and disposed to open an Intercourse and Commerce upon Terms of Reciprocity without delay. I replied, I believed they were, although a late

late Publication by a suspected hand, of the Revocation of Mr. Adams's Commission left me not so clear on that point, adding that I could soon be informed from Paris. At the same time I urged as necessary previous, or accompanying Steps, the conclusion of a Definitive Treaty and withdrawing all the British Forces from the United States. In answer to supposed Difficulties in obtaining transport Ships, I proposed the removal of the Troops to Long or Staten Island, adding that some Powers might in a similar case insist upon Hostages for their peaceable Behaviour and final Removal. I thought it absolutely necessary that the State of New York should be put in immediate possession of the City and Port. Mr. Fox, as the Duke of Portland had done before him, discovered a Disposition to proceed to Business with us with Liberality and Effect, and I place all proper confidence in their assurances; upon the whole Mr. Fox asked, if he might report, that I believed there was a Disposition and Powers on the part of the American Ministers to open an Intercourse and Commerce upon terms of Reciprocity without Delay? I assented as my Belief and opinion under the reservations above mentioned.

On the 10 April he again wrote to Congress: —

The "Bill for a provisional Establishment and Regulation of Trade" & seems to be dead indeed. Mr. Fox yesterday moved for reading the titles of the Act commonly called the prohibitory Act and the Act for granting Letters of Marque, which being read he moved for leave to bring in a Bill for repealing so much of the said Acts as prohibit Trade and intercourse with the United States of America which was ordered accordingly.

A BILL FOR THE PROVISIONAL ESTABLISHMENT AND REGULATION OF TRADE INTERCOURSE BETWEEN THE SUBJECTS OF GREAT BRITAIN AND THOSE OF THE UNITED STATES OF NORTH AMERICA.

Whereas the following Thirteen Provinces of North America, namely, New Hampshire, Massachuset's Bay, Rhode Island and Providence Plantations, Connecticut, New York, New Jersey, Pensylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, and Georgia, have lately been solemnly acknowledged by His Majesty to be, and now are, Free, Independent, and Sovereign States, by the Name and Description of the United States of America.

Be it therefore Enacted and Declared by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, That all Statutes heretofore made to regulate the Trade and Commerce between Great Britain and the British Plantations in America, or to prohibit any Intercourse between the same, shall so far as they regulate or prohibit the Intercourse and Commerce between Great Britain and the Territories now composing the said United States of America, wholly and absolutely

And Whereas, whilst the aforesaid thirteen Provinces were annexed to and constituted a Part of the Dominions of Great Britain, the Inhabitants of the said Provinces enjoyed all Rights, Franchises, Privileges, and Benefits of British Subjects born in Great Britain, as well in respect to the Trade and Commerce with Great Britain as in other instances; and in consequence thereof the Ships and Vessels of the said Inhabitants, being navigated in like manner as British Ships and Vessels are by Law directed to be navigated, were admitted into the Ports of Great Britain with all the Privileges and advantages of British Built Ships:

67 And

And whereas, by the several Laws now existing, for Regulation of the Trade and Commerce of Great Britain with foreign States, the subjects of the latter are, as aliens, liable to various commercial Restrictions, and also to various Duties and Customs at the Ports of Great Britain, which hitherto have not been applicable to, or demandable from, the Inhabitants of the several Provinces now composing the said United States of America:

And whereas it is highly expedient that the Intercourse between Great Britain and the said United States should be established on the most enlarged Principles of reciprocal Benefit to both Countries; but, from the Distance between Great Britain and America, it must be a considerable Time before any Convention or Treaty for establishing and regulating the Trade and Intercourse between Great Britain and the said United States of America, upon a permanent foundation, can be concluded:

Now, for the purpose of making a temporary Regulation of the Commerce and Intercourse between Great Britain and the said United States of America, and in order to evince the Disposition of Great Britain to be on Terms of the most perfect amity with the said United States of America, and in confidence of a like friendly Disposition on the part of the said United States towards Great Britain: Be it further enacted, That from and after the the Ships and Vessels of the Subjects and Citizens of the said United States of America, with the Merchandizes and Goods on board the same, shall be admitted into all the Ports of Great Britain in the same Manner as the Ships and Vessels of the Subjects of other Independent Sovereign States; but the Merchandizes and Goods on board such Ships or Vessels of the Subjects or Citizens of the said United States, being of the Growth, Produce, or Manufacture of the said United States, shall be liable to the same Duties and Charges only, as the same Merchandizes and Good would be subject to, if they were the Property of British Subjects, and imported in British-built Ships or Vessels, navigated by British natural-born Subjects.

And be it further enacted, That during the Time aforesaid, the Ships and Vessels of the Subjects and Citizens of the said United States, shall be admitted into the Ports of his Majesty's Islands, Colonies or Plantations, in America, with any Merchandizes or goods of the Growth, Produce, or Manufacture, of the Territories of the aforesaid United States,

States, with liberty to export from his said Majesty's Islands, Colonies, or Plantations in America, to the said Territories of the said United States, any Merchandize or Goods whatsoever, and such Merchandizes & Goods, which shall be so imported into, or exported from the said British Islands, Colonies, or Plantations, in America, shall be liable to the same Duties and Charges only, as the said Merchandizes and Goods would be subject to, if they were the Property of British natural-born Subjects, and imported or exported in British-built Ships or Vessels, navigated by British Seamen.

And be it further Enacted, That during all the Time herein before limited, there shall be the same Drawbacks, Exemptions, and Bounties, on Merchandizes and Goods exported from Great Britain into the Territories of the said United States of America as are allowed in the case of Exportation to the Islands, Plantations, or Colonies, now remaining or belonging to the Crown of Great Britain in America.

And be it further Enacted, That all Ships and Vessels belonging to any of the Citizens or Subjects of the said United States of America, which shall have come into any Port of Great Britain since the together with the Goods and Merchandizes on board the same Ships and Vessels, shall have the full benefit of this act.

A BILL (AS AMENDED FOR THE WORSE IN THE COMMITTEE) FOR THE PROVISIONAL ESTABLISHMENT AND REGULATION OF TRADE AND INTERCOURSE BETWEEN THE SUBJECTS OF GREAT BRITAIN AND THOSE OF THE UNITED STATES OF NORTH AMERICA.

Whereas the following thirteen Provinces of North America, namely New Hampshire, Massachuset's Bay, Rhode Island and Providence Plantations, Connecticut, New York, New Jersey, Pensylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, and Georgia, now are Free, Independant, and Sovereign States, by the Name and Description of the United States of America.

And whereas it is highly expedient, that the Intercourse between Great Britain and the said United States should be immediately opened, and that Temporary Regulations should be made for that purpose, until a Treaty or convention for establishing and regulating the Trade and Commerce between Great Britain and the said United States shall be finally concluded: Be it therefore Enacted and Declared by the King's Most Excellent Majesty, by & with the

A BILL (AS AMENDED IN THE COMMITTEE TO WHOM THE SAME WAS RECOMMITTED) FOR THE PROVISIONAL ESTABLISHMENT AND REGULATION OF TRADE AND INTERCOURSE BETWEEN THE SUBJECTS OF GREAT BRITAIN AND THOSE OF THE UNITED STATES OF NORTH AMERICA.

advice and Consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, that an act passed in the Sixteenth year of his Majesty's Reign, intituled "An Act to prohibit all Trade and Intercourse with the Colonies of New Hampshire, Massachuset's Bay, Rhode Island, Connecticut. New York, New Jersey, Pensylvania, the three Lower Counties on Delaware, Maryland, Virginia, North Carolina, South Carolina, and Georgia, during the continuance of the present Rebellion within the said Colonies respectively; for repealing an Act, made in the fourteenth year of the Reign of his present Majesty, to discontinue the landing and discharging, lading or shipping, of Goods, Wares, and Merchandize, at the Town and within the Harbour of Boston, in the Province of Massachuset's Bay, and also two Acts, made in the last Session of Parliament, for restraining the Trade and Commerce of the Colonies in the said Acts respectively mentioned; and to enable any Person or Persons appointed and authorized by his Majesty to grant Pardons, to issue Proclamations, in the cases and for the purposes therein mentioned;" and also an Act, passed in the seventeenth year of his Majesty's Reign intituled, "An Act for enabling the Commissioners for executing the office of Lord High Admiral of Great Britain to grant Commissions to the Commanders of private Ships and Vessels employed in Trade, or retained in his Majesty's Service, to take and make Prize of all such Ships and Vessels, and their Cargoes, as are therein mentioned, for a limited Time;" so far as the said Acts, or either of them, may extend, or be construed to extend, to prohibit Trade and Intercourse with the Territories now composing the said United States of America, or to authorize any Hostilities against the Persons or Properties of the Subjects and Citizens of the said United States, after the respective Periods set forth in his Majesty's Proclamation for the Cessation of Hostilities between Great Britain and the United States of America, bearing Date the fourteenth Day of February one thousand seven Hundred and Eighty-three, shall be, and the same are henceforth repealed.

And be it further Enacted, That from and after the passing of this Act, and until the end of the next Session of Parliament, all Goods and Merchandize, of the Growth and Produce of the Territories of the United States of America only, which heretofore might have been lawfully imported into any Port or Place of Great Britain, may and shall continue to be lawfully imported into Great Britain, from any Port or Place within the Territories of the said United States, and not from any other Place, in Ships or Vessels belonging to any of the Citizens of the said United States, and navigated by Mariners of the said United States, or by His Majesty's Subjects, in the manner heretofore accustomed, except as is hereinafter excepted.

Provided always, and it is hereby Enacted, That the ships of the said United States shall not bring into Great Britain any Goods or Merchandize other than those of the Growth and Produce of the said United States.

Provided also, and be it Enacted, That nothing in this Act shall extend to the Payment of any Bounty hitherto And be it enacted, that all Goods and merchandize of the Growth and Produce

in British ships legally navigated, or in ships

hereafter excepted; any Law, Statute or Usage, to the contrary notwithstanding.

Provided always, and be it Enacted

granted upon the Goods or Merchandize imported from the Territories now composing the said United States; any Law, Statute, or Usage, to the contrary notwithstanding.

And, for the better ascertaining the Ships arriving from the Territories aforesaid, Be it further Enacted, That the Property of such Ships, and the Places from which they shall come, shall be ascertained by the Oaths of the Master and Mate of the said Ship severally; and in case of any Doubt, which shall be entertained by the Collector or Customer at the Port of Entry, or by those acting for him, Power is hereby given to examine the Bills of Lading, and all other Documents which may conduce to the ascertainment of the Matters aforesaid: and the Collector or Customer at such Port, or Person acting for him, is hereby authorized to make such Examination, previous to the said Vessels being admitted to entry or to break Bulk.

And be it Enacted, That all Goods which hitherto might have been lawfully exported from Great Britain to any of the aforesaid Countries and Places, shall and may be Lawfully exported, in the same manner and to all intents and purposes whatsoever on the same Terms as heretofore, in any Ships belonging to the aforesaid United States, without any Register, Bond, or other Paper required by any former Act or Acts, other than is hereinatter provided; any Law, Statute, or Usage to the contrary notwithstanding.

And be it Enacted, That for all Goods, which have been usually exported upon Certificate or Bond, as being entitled to Drawback of Duties, or as being prohibited from internal consumption, sufficient Bond shall be

granted upon the ships belonging to the subjects of the said United States or upon the Goods from the Territories thereof; any Law,

Be it enacted,

Oaths or Affirmations of the Master

Collector or other principal Officer at the Port of Entry, Power is hereby given

Collector or other principal Officer

exported thereto on the same Terms, with the same Drawbacks, and under the like Restrictions and Prohibitions, as such Goods may now be exported to any Port of Europe, not part of his Majesty's Dominions.

[Omitted.]

given, with one Surety of known Ability, and resident in or near the Place from whence the same shall be entered Outwards, in Treble the Value of the said Goods, that the same shall not be relanded in any part of Grent Britain; and that if the same or any part thereof, shall be re-landed, the said Ship and Cargo shall be forfeited, and the forfeiture applied in the like manner as hath been used in offences of the same Nature.

And be it Enacted, That none but Ships of the said United States, or Ships British built, and qualified according to Law, shall enter Outwards, laden with British or foreign goods, for the Ports or Territories of the said United States, or shall be permitted to an Entry Inwards with any Merchandize of the Growth or produce of the said United States.

And be it Enacted, That no Manifest, Certificate, or other Document, except what is usual for British Ships entered Outwards or Inwards to or from other Places, shall be demanded from any British Ship upon her Entry Inwards or Outwards to or from any of the Territories of the said United States, except as is hereinafter provided; any Law, Statute, or Usage to the contrary notwithstanding.

And be it Enacted, That all British Ships as aforesaid shall, before their Entry Outwards, give Bond that they shall proceed to the Ports or Places in the Territories aforesaid, as also for bringing the Merchandize loaded in the said Countries into some Port in Great Britain or Ireland, and shall, on their Return and Entry Inwards, before the said Bond shall be discharged, produce a Certificate from two Merchants of Credit, residing in the Port from whence

[Omitted.]

Provided always, and be it

Law, or now the property of British subjects and duly registered within three months after the passing of this Act, shall enter outward

from or to

[Omitted.]

they shall load the said Commodities, that the said Ship hath been loaded in the said Port or Place with the Commodities in the Bills of Lading mentioned.

And be it enacted, That all Goods and Merchandize, of the Growth and produce of the Territories now composing the United States of America, which in the year one thousand seven hundred and seventy-five were importable into his Majesty's Islands, Colonies, or Plantations in America, may be lawfully imported into the same, in Ships or Vessels belonging to the said United States, upon the Terms, and in the manner heretofore used, but without any Certificate, Register, or other Paper, or the observance of any Regulations required by any act of Parliament, except such as are required by this act, to ascertain the Property in such Ships when entered in any Port of Great Britain; and that it shall and may be lawful for the Ships or Vessels of the said United States to export, from his Majesty's said Islands, Colonies, or Plantations in America, to any Port or Place of the said United States, all such Goods or Merchandizes as were, in the year one thousand seven hundred and seventy-five, lawfully exportable to the same, and upon the Terms and in the manner heretofore used.

[Omitted.]

in British ships or in ships belonging to his Majesty's Plantations, or in ships now the Property of Subjects, and duly registered within three months after the passing of this act, or in ships

[Transferred below.]

the same. Provided always, that such importation and exportation shall be lawful without any Certificate, Register, Bond or other Document, except such as are required by this Act to ascertain the Property in such ships when entered in any Port of Great Britain.

And be it further Enacted, That all Ships and Vessels belonging to any of the Citizens or Subjects of the said

And be it Enacted,

United States of America, which shall have voluntarily come into any Port of Great Britain since the Twentieth Day of January one thousand seven hundred and eighty-three, together with the Goods and Merchandizes on board the same Ships and Vessels, shall have the full Benefit of this Act.

And be it Enacted, That the several Provisions hereinbefore contained, for regulating the Trade and Intercourse between the Subjects of Great Britain, and those of the United States of America, shall continue in Force until the End of the next Session of Parliament, and no longer.

A BILL FOR THE PROVISIONAL ESTABLISHMENT AND REGULATION OF COMMERCE BETWEEN THE SUBJECTS OF GREAT BRITAIN AND THE INHABITANTS OF THIS STATE.

(The same Bill is pending in each of the United States.)

Whereas Articles eventual for a treaty of Peace were concluded and duly executed &c. wherein it is agreed that a Treaty should be concluded When &c., and that Then the British Troops and Fleets should be withdrawn &c.

And Whereas the British Parliament hath passed an Act for the Temporary Establishment and Regulation of Trade between Great Britain and these United States manifesting thereby an inclination and Desire to open an intercourse between the Subjects and Citizens of the two Countries. Now in order to testify the hearty disposition on the part of this State to offer to the Subjects of Great Britain reciprocal advantages on terms of liberal Equity and Reciprocity and for establishing a beneficial and satisfactory Intercourse &c.

Be it therefore Enacted by the general Assembly of this State and by the authority of the same that immediately from and after the signing of the Definitive Treaty and the actual Removal of all the British Forces, from every Place, Port and Harbour within these United States that a free trade and intercourse shall be allowed and encouraged between the Subjects of Great Britain and the Citizens and Inhabitants of this State under the Regulations and upon the terms and conditions herein set forth, any Resolution, Law, Usage or Custom to the contrary notwithstanding.

And be it Enacted that all Goods, Wares and Merchandize of the Growth produce or Manufacture of Great Britain only may be lawfully imported into this State from Great Britain directly in British Ships or in

Ships

Ships belonging to any British Subject or to any of the Inhabitants or Citizens of these United States. Provided always that it shall not be lawful for any Ship or other Vessel belonging to the Subjects of Great Britain to import or land in any part of this State any Goods Wares or Merchandise but such as are actually and bona fide of the Growth, Produce, or Manufactures of Great Britain.

And for the better ascertaining the Ships and also the Merchandize and Manufactures of Great Britain Be it Enacted &c.

And be it Enacted that all Goods and Merchandize of the growth and produce of this State which might heretofore have been exported to Great Britain may be shipped and exported to any part of that Kingdom or to the British West Indies Islands in any Ship or other Vessel belonging to the Subjects of Great Britain or to any of the Inhabitants or Citizens of these United States.

And be it Enacted that all Goods and Merchandize of the growth and produce of any of the British Islands in the West Indies may be lawfully imported into this State by Ships belonging to any of the Subjects of Great Britain or to the Citizens and Inhabitants of any of the United States of America.

And Whereas it is to be apprehended that many Ships belonging to the Subjects of Great Britain may rashly and unadvisedly come into the ports of this State before the conclusion of the Definitive Treaty and the actual Removal of the British forces &c. Be it Enacted that all Ships and other Vessels belonging to the Subjects of Great Britain which may enter into any of the Ports of this State before the conclusion of the Definitive Treaty and the actual removal of the forces shall make a full and compleat Declaration upon Oath of the Lading and Cargoes on board such Ships or other Vessels respectively and shall then be permitted to withdraw and put to Sea again or to lie at Anchor in such convenient place as shall be assigned, but shall not break bulk or land or remove any part of their Cargoes nor shall it be lawful for more than one Officer and four Seamen unarmed from any British Ship or Vessel to be on Shore at any time in the Day, and at no time after Sunset shall any Officer or Seaman belonging to such Ship or Vessel be on shore without special permission.

And be it Enacted that this Act shall continue and be in force until or until the End of the next session of the general assembly and no longer.

It is supposed that the above intended Act and an Act to the same Effect intended to be passed by the British Parliament will form a compleat and satisfactory Treaty of Commerce.



